

1ST QUARTER 2017 MARKETING REPORT

Branson Convention & Visitors Bureau

May, 2017

- U.S. Economic Outlook
- U.S. Travel Performance
- Travel Industry Update
- Branson 1Q 2017 Performance
- Branson Visitor Update

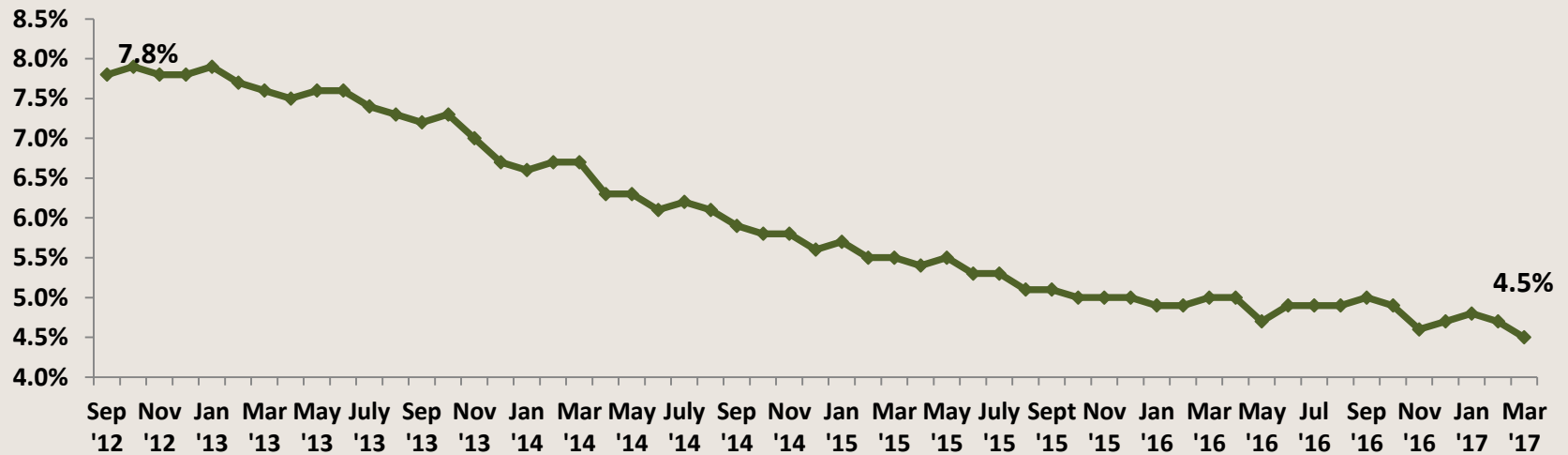
PRESENTATION OVERVIEW

ECONOMIC OUTLOOK

ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS MAY 12, 2017

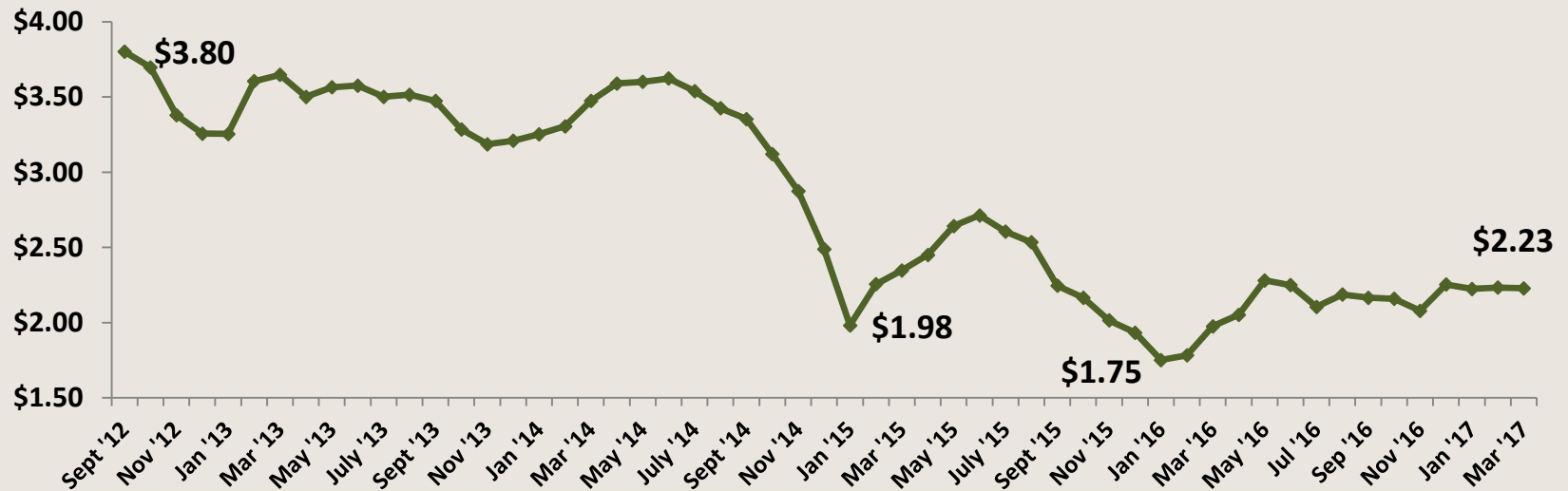
U.S. UNEMPLOYMENT

The U.S. unemployment rate has flattened out in 2017. In the past 12 months unemployment has been as high as 5% and as low as 4.5%. And, as of March 2017 it stands at 4.5%.



GASOLINE PRICES

U.S. gasoline prices bottomed out an average of \$1.75 in January 2016 and stood at an average of \$2.25 at the end of 2016. So far in 2017 prices have remained around \$2.23 per gallon, about \$0.25 more than this time last year.



TRAVEL PERFORMANCE

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U.S. LEISURE & BUSINESS TRAVEL

- According to the U.S. Travel Association, leisure travel person-trips increased by 1.7% while business travel person-trips decreased by 0.6%.
- The extended forecast through 2020 shows leisure travel increasing by 1.6% in 2018, +1.8% in 2019 and +1.9% in 2020.

U.S. ROOM DEMAND +2.8%

According to STR, U.S. room demand increased 4.6% in March 2017 and is up 2.8% year-to-date. Additionally, ADR is running 2.4% ahead of last year.

SOURCE: STR, MARCH 2017

INDUSTRY UPDATE

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‘TRUMP SLUMP’ COULD MEAN
WELL OVER \$10 BILLION PER
YEAR LOST IN TOURISM
REVENUES.

The "Trump Slump"—the anticipated decline in foreign travelers to the U.S. due to the reality of Donald Trump as president—is not boding well for the American economy. The *New York Times* cited a forecast from the international firm Tourism Economics stating that the number of foreign travelers in the U.S. could drop by 6.3 million annually due to Trump rhetoric and policies. America welcomed about 77 million international visitors in 2016, so that would mean a decrease of 8.2% or 6.3 million international visits lost, representing \$27-\$32 billion annually. (Time.com/Money, March 2, 2017)

MORE THAN 4,000 PHYSICAL
STORES ARE CLOSING AS
CONSUMERS SHIFT THEIR
PURCHASING HABITS (ONLINE).

Retail Apocalypse. This term refers to the late 2016 and continuing 2017 closing of a large number of American retail stores. Overall, over 4,000 physical stores are affected as American consumers shift their purchasing habits due to various factors. Thousands of mall-based stores are shutting down in what's fast becoming one of the biggest waves of retail closures in decades. Department stores like JCPenney, Macy's, Sears, and Kmart are among the companies shutting down stores, along with middle-of-the-mall chains like Crocs, BCBG, Abercrombie & Fitch, and Guess.

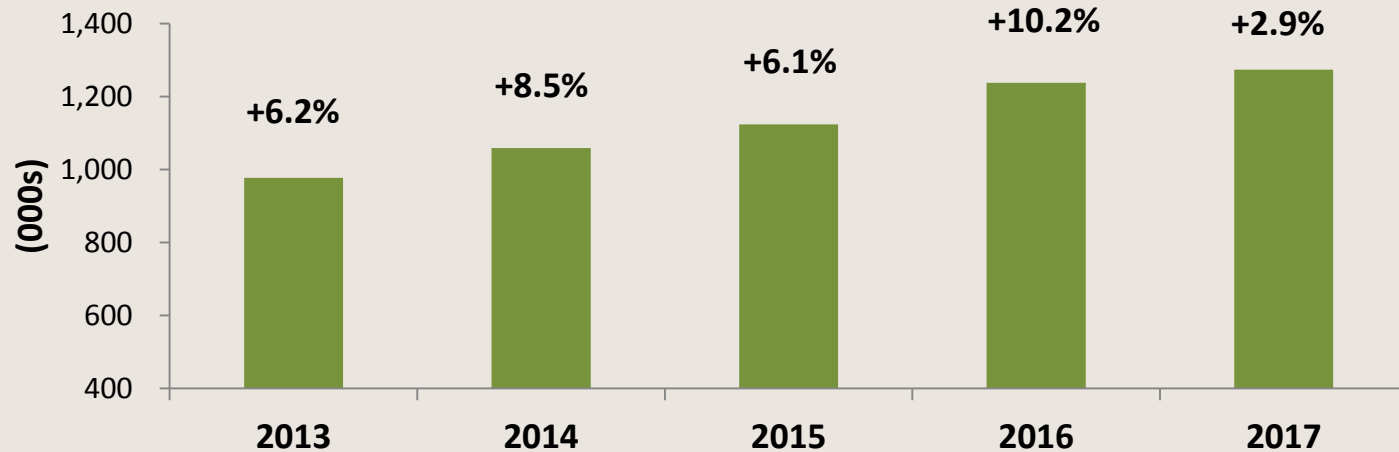
Some retailers are exiting the brick-and-mortar business altogether and trying to shift to an all-online model. (Business Insider.com, March 21, 2017)

BRANSON 1Q PERFORMANCE

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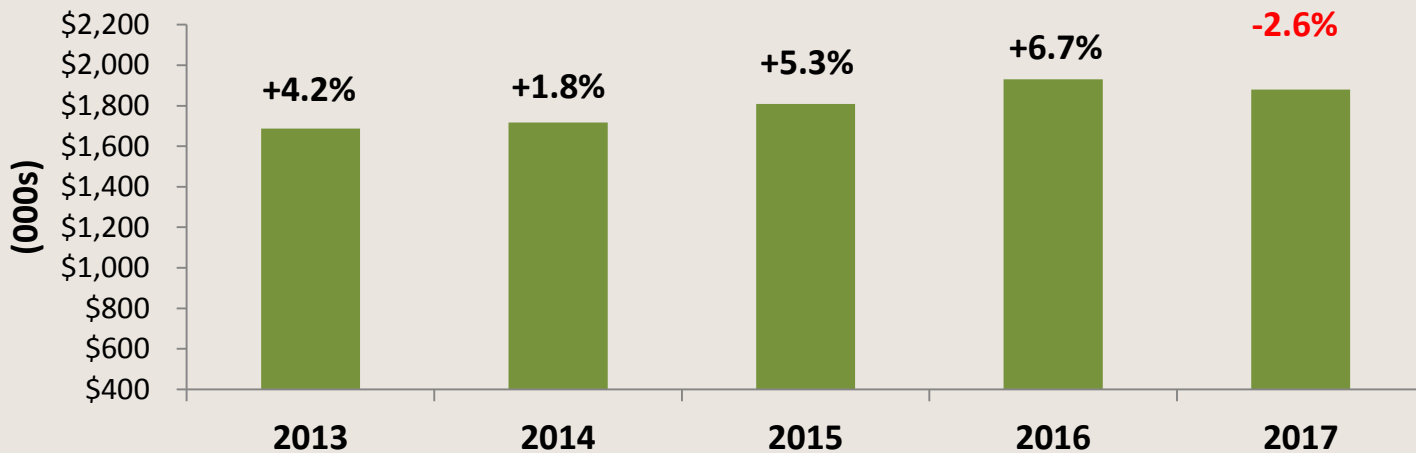
BRANSON ESTIMATED VISITATION

1st Quarter YTD 2017



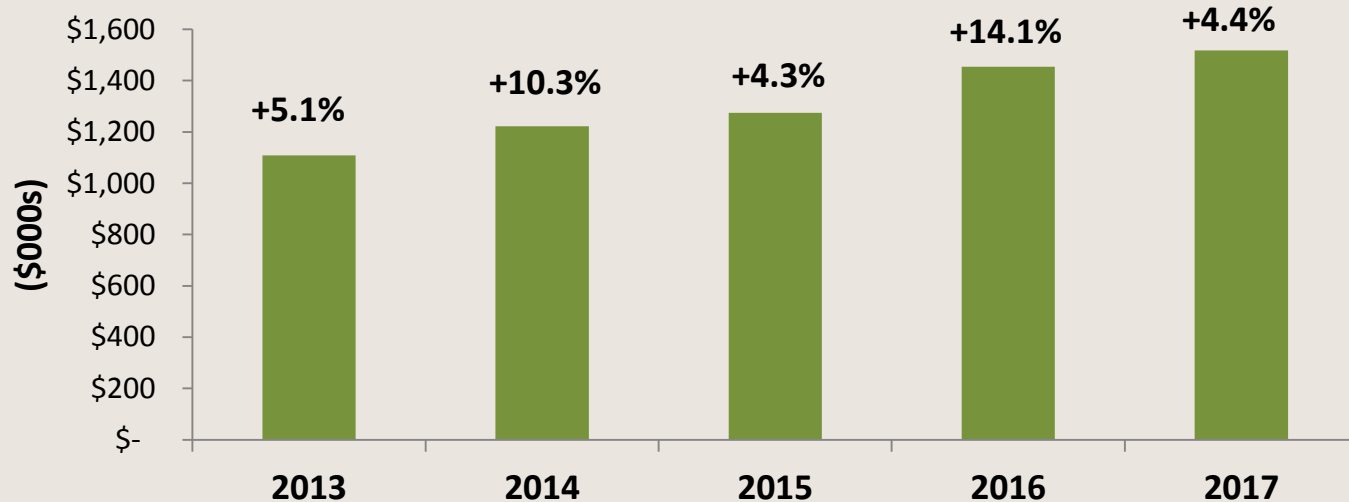
CITY OF BRANSON SALES TAX

1st Quarter YTD 2017



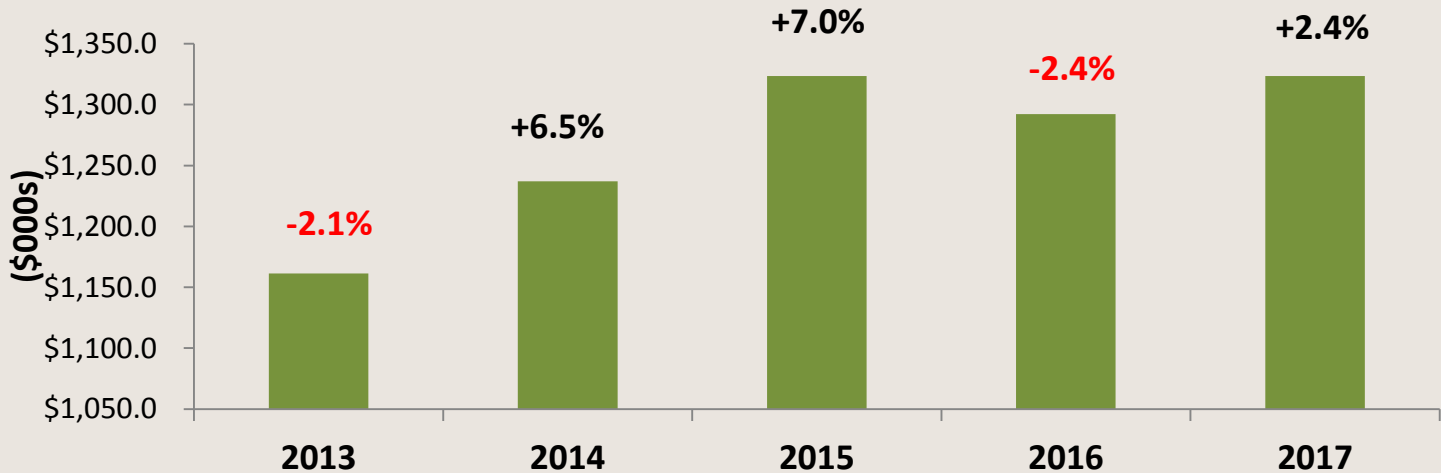
CITY OF BRANSON TOURISM TAX

1st Quarter YTD 2017



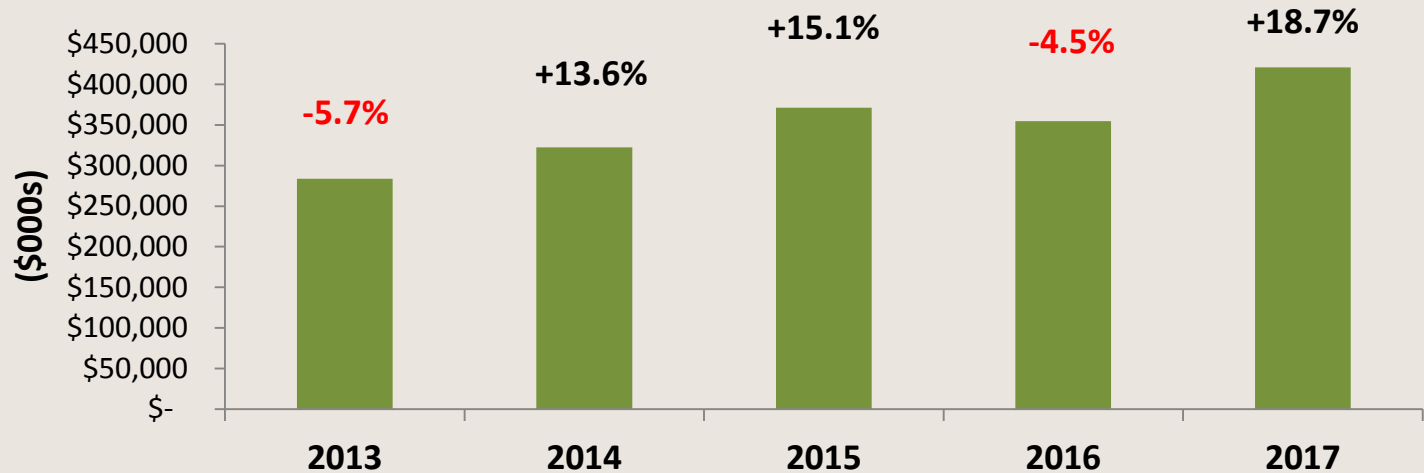
TCED TOURISM TAX

1st Quarter YTD 2017



STONE COUNTY TAX

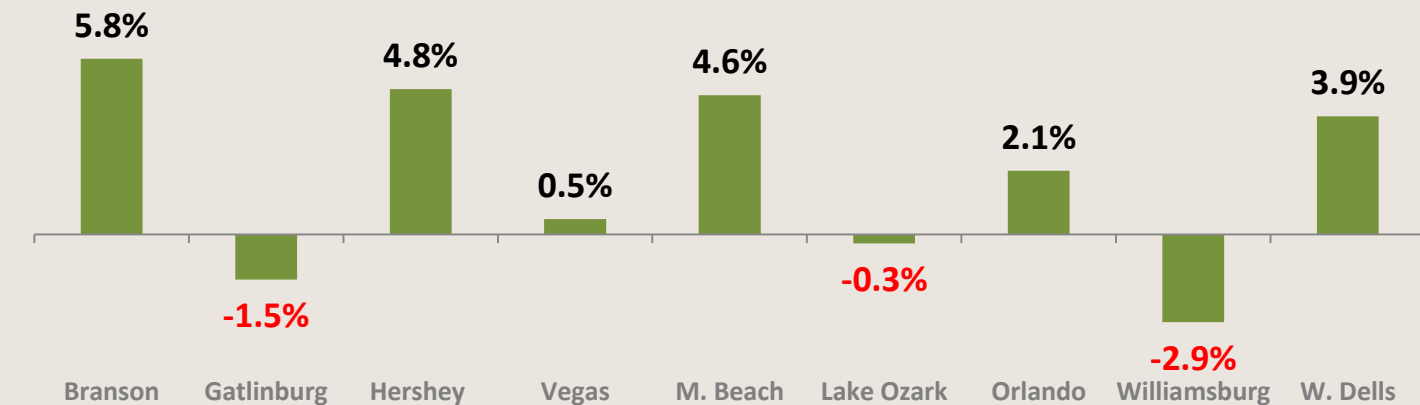
1st Quarter YTD 2017



ROOM DEMAND COMPARISON

1st Quarter YTD 2017

YTD Variance in Room Demand



BRANSON VISITOR UPDATE

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YTD VISITOR TRENDS

METRIC	2017	2016	VAR
SPENDING/PARTY	\$868	\$753	+\$115
FIRST-TIMERS	35%	17%	+18%
% FAMILIES	50%	45%	+5%
AVG ADULT AGE	55.5 yrs	53.6 yrs	+1.9 yrs
LOS	3.8 nts	3.7 nts	+0.1 nts
% SEEING SHOWS	68%	58%	+10%
AVG # SHOWS SEEN	2.7	2.4	+0.3

SOURCE: H2R MARKET RESEARCH, MARCH 2017 YTD. n = 142; MOE = +/- 8.2% at a 95% Confidence Interval.

VISITATION BY MARKET

<u>METRIC</u>	<u>% VISITORS</u>	<u>VAR TO 2016</u>
CORE MARKETS	18%	+ 0.6%
PRIMARY MARKETS	40%	- 1.9%
OUTER MARKETS	23%	- 0.9%
NATIONAL MARKETS	19%	+ 2.3%
TOTAL	100%	+ 0.1%

SOURCE: H2R MARKET RESEARCH, MARCH 2017 YTD (WEIGHTED)

DEPARTMENT UPDATES

LEISURE GROUP SALES

- Sponsored tour operator breakfast show for 500 tour operators at ABA in Cleveland. Hosted a dine around for 120 tour operators and partners.
- Hosted first TMEA sponsorship at trade show in San Antonio. 25k student and music educators attended. Hosted a dine around for 50 student tour operators, music educators and partners.
- Hosted 35th Annual Travel South Domestic Showcase. Over 600 attendees representing journalists, tour operators and suppliers and other travel professionals from 11 southern state region.
- Sponsored closing dinner at HCI in Burlington, VT for Bank Travel Club Directors. Branson will host HCI in 2018: March 12 – 16, for 100 to 120 Bankers and Members
- RFI's at the end of 1 Q were up 13% and RFP's were up 7%



COMMUNICATIONS/PUBLIC RELATIONS

- North American Travel Journalists Association (NATJA) revealed Branson CVB as Grand Prize Winner for Destination Marketing for creative and informative marketing: Gold for Vacation Guide; Silver for “What’s New” video: Bronze for Meeting, Convention & Sports Planner
- Trivago.com Best Value Destinations of 2017: Branson is #1 for the second year in a row.
- TripAdvisor named Branson #17 of Top 25 US destinations for 2017 – Six years in a row in top 20.

SPORTS MARKETING AND DEVELOPMENT

Bassmaster Central Open: Hosted March 2-4 on TRL including 400 professional anglers and co-anglers who were in town for an average 6.6 days.

MoNASP State Archery Tournament

- Hosted for the first time March 24-25, 2017.
- Included 2100+ participants, 9300+ attendees.
- Signed agreement with BCC for 2018, adding an additional day (March 22-25, 2018).

Big Bass Tour: Set new overall tour record for entries in the history of the tour series with 863 amateur anglers competing from 21 states during their weekend tournament April 1-2.

NASC (National Association of Sports Commissions) Symposium highlights:

- Show-Me MO Sports sponsored Wednesday morning breakfast.
- Terra Alphonso was presented with her CSEE (Certified Sports Event Executive) Certification, wrote a blog that the NASC featured online and in the Symposium Program and was a Speaker at the symposium.
- 23 one-on-one and 7 event overview appointments
- 6 new RFPs distributed in the community following the Symposium.

MEETINGS & CONVENTIONS



- Distributed 56 Meeting RFPs into the Community.
- Finalist and received an honorable mention in the PR Daily Video Awards for our promotional video.
- Presented video to 1,000 attendees at Destination Showcase in DC and to 300 attendees at the MPI-Chicago NEXT event in March.
- On-Line Engagement for ExploreBransonMeetings:
 - Site traffic up 3.88% YOY
 - Pageviews up 6.77% YOY
 - Convention Facilities Pageviews up 118%

DIGITAL MARKETING

ExploreBranson.com Results

- 465,822 site visits
 - Up 12.62% over 2016
- 352,546 pageviews
- 52.13% of site traffic from a mobile device

Digital Media

- Display Media launched in January
- Lead generation campaigns launched in February
- Social Media and SEM campaigns run year-round

Explore Branson Social Results

- Total audience of 200,093
- 18,295 engagements



Questions?

THANK
YOU